

Message Text

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ACTION EB-08

INFO OCT-01 NEA-10 IO-13 ISO-00 AGRE-00 CIAE-00
COME-00 INR-07 LAB-04 NSAE-00 SP-02 STR-05
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FM AMEMBASSY CAIRO

TO SECSTATE WASHDC PRIORITY 1228

USMISSION GENEVA

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GENEVA FOR PHELAN

E.O.11652: NA

TAGS: ETRD EG

SUBJ: US-EGYPT TEXTILE NEGOTIATIONS

FOLLOWING IS TEXT OF MOU INITIALED BY US AND EGYPTIAN
DELS EVENING OF NOVEMBER 3, 1977:
BEGIN TEXT:

EXCELLENCY: I HAVE THE HONOR TO REFER TO THE ARRANGEMENT REGARDING
INTERNATIONAL TRADE IN TEXTILES DONE AT GENEVA ON DECEMBER
20, 1973, HEREINAFTER REFERRED TO AS THE ARRANGEMENT. I
ALSO REFER TO RECENT DISCUSSIONS BETWEEN REPRESENTATIVES
OF OUR TWO GOVERNMENTS CONCERNING EXPORTS TO TEXTILES AND
TEXTILE PRODUCTS FROM THE ARAB REPUBLIC OF EGYPT TO THE UNITED
STATES OF AMERICA. AS A RESULT OF THESE DISCUSSIONS AND IN
CONFORMITY WITH THE ARRANGEMENT, BOTH GOVERNMENTS AGREE THAT
THE AGREEMENT RELATING TO TRADE IN COTTON TEXTILES AND COTTON
TEXTILE PRODUCTS BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE
UNITED STATES OF AMERICA IFFECTIVE JANUARY 1, 1975 IS HEREBY
REPLACED AND SUPERSEDED, EFFECTIVE JANUARY 1, 1978 BY THE
FOLLOWING AGREEMENT.

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1. THE TERM OF THIS AGREEMENT SHALL BE FOR A TWO-YEAR
PERIOD BEGINNING JANUARY 1, 1978, AND THEREAFTER SHALL BE
EXTENDED ON A CALENDAR YEAR BASIS AUTOMATICALLY UNLESS EITHER
GOVERNMENT GIVES 90 DAYS NOTICE TO THE OTHER GOVERNMENT IN
WRITING THAT THE AGREEMENT BE TERMINATED AT THE END OF A
CALENDAR YEAR.

2. THE TWO GOVERNMENTS SHALL GIVE DUE CONSIDERATION TO THE NEED AS SET FORTH IN THE ARRANGEMENT, TO PROVIDE FOR BOTH PROGRESSIVE LIBERALIZATION AND ORDERLY DEVELOPMENT OF TRADE. BOTH GOVERNMENTS ALSO RECOGNIZE THAT POSSIBILITIES EXIST FOR INCREASED TRADE AND THAT SUCH POSSIBILITIES WILL BE ENHANCED BY THE TERMS OF THIS AGREEMENT. IT IS THE INTENTION OF BOTH GOVERNMENTS THAT THE HIGHEST DEGREE OF FLEXIBILITY BE MAINTAINED IN TEXTILE TRADE SO THAT THE MARKETS OF BOTH COUNTRIES MAY DEVELOP FAVORABLY AND THAT THE POTENTIAL OF EACH BE FULLY REALIZED. THIS IN TURN, IT IS ANTICIPATED WILL CONTRIBUTE TO THE CONTINUED STRENGTHENING OF ECONOMIC TIES BETWEEN THE TWO COUNTRIES.

3. ACCORDINGLY THE TWO GOVERNMENTS, IN ORDER TO PROVIDE FOR A MORE BENEFICIAL APPROACH AND TO AVOID PLACING THE ARAB REPUBLIC OF EGYPT AT A DISADVANTAGE OR IN AN INEVITABLE POSITION WITH RESPECT TO ITS TRADE, AGREE TO THE FOLLOWING:

(I) IN THE EVENT THAT THE GOVERNMENT OF UNITED STATES CONSIDERS IMPORTS IN ANY CATEGORY OR CATEGORIES OF TEXTILES PRODUCTS FROM THE ARAB REPUBLIC OF EGYPT TO BE CAUSING MARKET PROBLEMS IN THE UNITED STATES, THE GOVERNMENT OF THE UNITED STATES MAY REQUEST CONSULTATIONS WITH THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT WITH A VIEW TO AVOIDING MARKET DISRUPTION, AND MAY REQUEST THE GOVERNMENT OF THE ARAB REPUBLIC LIMITED OFFICIAL USE

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OF EGYPT TO RESTRAIN EXPORTS IN THAT CATEGORY OR CATEGORIES TO THE LEVEL INDICATED BY THE UNITED STATES.

(II) THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT AGREES TO CONSULT WITH THE GOVERNMENT OF THE UNITED STATES ON THE CATEGORY OR CATEGORIES IN QUESTION WITHIN 30 DAYS OF RECEIPT OF THE REQUEST, SAID REQUEST TO BE ACCOMPANIED BY INFORMATION ON WHICH THE REQUEST IS BASED. BOTH GOVERNMENTS AGREE TO MAKE EVERY EFFORT TO REACH A MUTUALLY SATISFACTORY RESOLUTION OF THE ISSUES WITHIN 60 DAYS, UNLESS THIS PERIOD IS EXTENDED BY MUTUAL AGREEMENT.

(III) UNTIL SUCH A TIME AS A MUTUALLY SATISFACTORY SOLUTION HAS BEEN REACHED, OR IN THE ABSENCE OF SUCH SOLUTION UNTIL THE END OF THE CALENDAR YEAR, THE ARAB REPUBLIC OF EGYPT WILL LIMIT EXPORTS OF THE PRODUCT OR PRODUCTS IN QUESTION TO THE UNITED STATES MARKET AS INDICATED BY THE GOVERNMENT OF THE UNITED STATES, AND THE GOVERNMENT OF THE UNITED STATES MAY DECLINE TO ENTER IMPORTS OF ARAB REPUBLIC OF EGYPT ORIGIN TEXTILES OR TEXTILE PRODUCTS IN EXCESS OF THE AMOUNT INDICATED FOR SUCH CATEGORY OR CATEGORIES.

(IV) FOR THE PURPOSE OF ESTABLISHING ANY LEVEL OF RESTRAINT FOR SUCH LIMITATION OF EXPORTS BY THE ARAB REPUBLIC OF EGYPT, THE GOVERNMENT OF THE UNITED STATES SHALL TAKE INTO

CONSIDERATION ALL ELEMENTS OF BOTH THE HISTORY OF TEXTILE
TRADE BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE UNITED STATES
AND THE PREVIOUS PERMISSIBLE LEVELS OF THE ARAB REPUBLIC
OF EGYPT AS COMPARED WITH OTHER SUPPLIERS OF LIKE TEXTILES
AND TEXTILE PRODUCTS, AND IF APPROPRIATE, TO THE ARAB REPUBLIC
OF EGYPT'S POSITION AS A POTENTIAL NEW ENTRANT IN RESPECT TO
CERTAIN TEXTILES AND TEXTILE PRODUCTS. TO THE EXTENT POSSIBLE,
THE GOVERNMENT OF THE UNITED STATES WILL RECOGNIZE THE NEED
TO AVOID UNDUE HARDSHIP TO THE COMMERCIAL PARTICIPANTS IN
THE TRADE INVOLVED.

(V) IT IS FURTHER AGREED THAT THE CONSULTATIONS EN-
VISIONED ABOVE WILL BE RESORTED TO SPARINGLY, AND THAT SUCH
CONSULTATIONS WILL BE CONDUCTED IN A MANNER CONSISTENT WITH
THE PRINCIPLES AND OBJECTIVES OF THE ARRANGEMENT. END TEXT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
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Expiration:
Film Number: D770406-1122
Format: TEL
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771196/aaaademq.tel
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Litigation Codes:
Litigation History:
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
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SAS ID: 718162
Secure: OPEN
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Subject: US-EGYPT TEXTILE NEGOTIATIONS FOLLOWING IS TEXT OF MOU INITIALED BY US AND EGYPTIAN DELS EVENING OF NOVEMBER 3, 1977
TAGS: ETRD, EG, US
To: STATE GENEVA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/bf88b322-c288-dd11-92da-001cc4696bcc
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